

WELFARE REFORM COMMITTEE
THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND
WRITTEN SUBMISSION FROM NORTH LANARKSHIRE COUNCIL

Key Messages

- **No claimant should be left financially worse off when receiving benefits from the Scottish system than under the current UK model, any changes in Scotland need to bear in mind any potential impact on UK benefits not devolved.**
- **Benefits should be paid on a national basis of entitlement; in cash to an individual recipient.**
- **All devolved and new benefits should retain the same appeal rights via the devolved Scottish Tribunal Service, as the current UK benefits.**
- **Reform of Disability Living Allowance, Personal Independent Payments and Attendance Allowance which should include; adding a third component (living costs), co-production with disabled people, multi-dimensional criteria, assessors with specialist knowledge, indicative decision stages and signposts to support.**
- **Simplified customer gateway and journey.**

North Lanarkshire Council welcomes the decision to devolve these social security powers to the Scottish Parliament and we believe that it gives Scotland more opportunities to tackle inequality and improve the lives of some of the most vulnerable people in Scotland.

The Scottish Government will need to focus on complex issues around eligibility and assessment within a budget to be inherited from the UK Government predicated on reducing expenditure and thresholds albeit with a power to top-up the devolved benefits or create new benefits. We recognise that the devolution of those powers arising from the Smith Commission being incorporated into the Scotland Bill represents only a partial move in this direction centring on disability and discretionary payments rather than universal benefits and totalling only an estimated £2.5 billion transfer out of £18 billion welfare payments to be made in Scotland by 2018/19. It is our view, however, that transferring these powers from the UK Government to the Scottish Government and Scotland does not change the current system, and then this will be a missed opportunity.

A reformed benefits system needs to explicitly form part of a wider strategy to prevent or tackle poverty as well as assist people in to work. The aims of this should include for example to obviate the need for food banks and to enhance routes to manageable loans and reducing debt. Any decision to change benefits/entitlements should not be rushed in to, a thorough research process would be required if changing/introducing new benefit consulting a variety of sources.

North Lanarkshire Council, as other organisations would like to see the establishment of a Scottish Social Security Review Committee to provide independent advice and expertise on welfare reform should be established with a

statutory obligation to consult the Committee on the establishment of new benefits or the restructuring of existing rules.

a) Personal Independence Payments, Disability Living Allowance Attendance Allowance and Carer's Allowance

North Lanarkshire Council strongly believes that simply transferring DLA, PIP and AA and not reforming these benefits would be an opportunity missed. Many people/organisations will believe that the integration of Health and Social Care Services supports the local delivery of disability and carer benefits. .

Whilst containing certain logic, however, there are good reasons not to integrate assessment and administration of Disability Benefits with Health & Social Care and in particular conflate with Self Directed Support budgets.

Social work as a profession has been reticent to adopt the role of gatekeeper to benefit eligibility. To adopt such a role would be to fetter the primary responsibility of the ability to advocate on behalf of the client. Also not everyone with a disability will be known to Health and Social Care Services **nor** indeed want to be. Unequal access to health care as a result of socio-economic disadvantage and demographics is a reality, linking eligibility to social care assessments risks exacerbating perceptions of stigmatisation.

There are, however, valuable lessons to be gleaned from the SDS agenda that should be incorporated into any new model of Disability Benefit assessment. Concepts such as user involvement, autonomy, self-determination and independence should inform any assessment of Disability Benefit. The assessment itself should be predicated on a social, rather than exclusively medical, model of disability. The benefit, however, must remain a cash payment in recognition of the additional costs incurred by reason of impairment. Preserving the direct cash payment to a claimant is also an expression of wider society's collective responsibility and commitment to social justice for those in need. In addition the cash spend of Disability Benefits with its multiplier effect should not be underestimated as a key driver of the local economy.

Consideration should be given to the expansion of Carers Allowance to allow carers to balance their caring commitments with some work or study. If Carers Allowance was delivered locally an automatic referral could be made to other local agencies such as homecare and third sector organisations. Together these adjustments could improve the quality of life of the carer and the individual receiving the care. It would also be desirable to see an increase in payments to carers.

b) Universal Credit (housing element and administrative arrangements) and Discretionary Housing Payments

North Lanarkshire Council welcomes the flexibilities Scotland will be able to use under Universal Credit (UC). We share the longstanding and widespread concerns expressed around the proposals to pay UC on a monthly basis and to include housing costs (both of which will potentially result in major budgeting problems and

accrual of rent arrears and other debts for recipients) and to make a single payment to a household where previously both partners would have received benefits.

The proposed treatment of temporary homeless accommodation under welfare reform is potentially catastrophic for homeless applicants and for local authorities in Scotland. The link between costs and benefits in respect of this particular type of accommodation will be dismantled under UC and the significant reductions in financial assistance to meet this higher cost accommodation, will lead to a drop in quality standards over time. A report compiled by two local authority officers on behalf of ALACHO in 2014 illustrated the actual costs of delivering appropriate temporary accommodation in Scotland.

Although data sharing regulations have been amended recently customers are required to provide the same information to multiple agencies including Central Government Departments, NHS, Scottish Government and Local Authorities including different services within LA's in many instances are capturing the same information from a customer to provide specific support and assistance or award benefit. Data Sharing Regulations should be amended to allow Services to share relevant data to ensure customers receive the benefits, assistance and support they are entitled to without the need for multiple applications.

We would therefore recommend that the Scottish Government ensures that;

- UC is paid fortnightly rather than monthly (with a review of the existing assessment period)
- housing costs continue to be paid directly to the landlord (unless there are specified circumstances)
- expected powers to vary the 'under-occupancy' rate taken from housing costs are fully utilised to minimise or neutralise the impact of the 'bedroom tax' in conjunction with use of discretionary housing payments
- Review and if necessary top up the housing costs for temporary and supported accommodation.
- Work with DWP to further amend Data Sharing regulations.

North Lanarkshire Council would urge the Scottish Parliament to legislate to abolish the Under Occupancy Rule (Bedroom Tax), as soon as possible, allowing Discretionary Housing Payments to support a wider range of housing needs. However in the short term, to ensure the above principles are embedded in the system the need for an application for DHP solely for the bedroom tax should be removed allowing Local Authorities to fund all periods of under occupancy charge from DHP budget.

c) The Work Programme and Work Choice

Work Programme - North Lanarkshire Council's Employability Services welcomes the forthcoming devolvement of the Work Programme to Scotland and hopes that Local Government will play a pivotal role in the co-ordination, management and delivery of this employability service. This will ensure integration with existing

employability services in the local area and a more joined up approach and seamless service for unemployed people in North Lanarkshire.

To ensure its effectiveness, delivery needs to be local and delivered by experts in the area who are knowledgeable of the local economy, the local landscape and have local links.

The mandating of clients for the Work Programme remains an issue, particularly as this element will not be devolved. It is crucial that North Lanarkshire Council, as the Local Authority, is able to demonstrate fairness and equality to clients and that people are treated with respect and dignity, and are offered non-judgmental support, no matter what the circumstances.

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To ensure its effectiveness, delivery needs to be local and delivered by experts in the area who are knowledgeable of the local economy, the local landscape and have local links instead of a current delivery model with national prime contractors who sub-contract to several local organisations competing with each other or are restricted to specific, sometimes very narrow, locations.

Areas that could be improved include delays getting approval to work with individuals referred by Statutory Referral Organisations (SROs), easing the intensive and time-consuming process of verifying outcomes, delivering programmes for disabled customers who need additional support, allowing referrals to be made from a variety of sources, and increasing the programme to two years to mirror the Work Programme.

d) The Regulated Social Fund, new benefits, top-ups and delivery of benefits overall.

North Lanarkshire Council believes that opportunities exist with regards to the Regulated Social Fund which can improve the integration of devolved benefits and benefit delivery, e.g. if the 'Healthy Start' programme is devolved (which currently has a low take up), this could be linked to the Sure Start Maternity Grant with NHS administering the new scheme, linking in with Social Work Services and Advice and Information Services via the Early Years Collaborative to ensure that anyone who claims either benefit, is offered a full financial health check.

The other elements of the Regulated Social Fund should be reviewed and reformed with Cold Weather Payments and Winter Fuel payments going only to the most vulnerable people facing fuel poverty regardless of the reason. (E.g. low income or poor heating systems or poor housing).

The main concern of the Regulated Social Fund is the administration and payment of the Funeral Grant. There are issues around the eligibility criteria (responsible person) and the amount of grant paid which currently is insufficient to meet the cost of a basic funeral and often results in putting the poorest and most vulnerable people into or indeed into more debt.

This element of the Regulated Social Fund needs reviewed and reformed and more importantly fully funded, it has in the past and more recently been run down by the DWP in the terms of funding (as the discretionary fund was prior to Scottish Welfare Fund). Therefore funding for Scottish Welfare Fund, particularly the administration budget must be re-examined on the basis of applications received, in order to ensure councils can meet the cost of application demand. All funding must be considered carefully. For example, the rules around insurance, estates and responsible person etc may make it difficult for it to be administered locally to meet the checks and balances requirements.

Also, given that the current system does not cover the full costs of a funeral, this leaves questions like, should the grant only be paid in such a restrictive set of circumstances? Or should it be more effectively targeted at the most vulnerable? Or should the grant be open to everyone dependent on the circumstances (costs/efficiency of system).

North Lanarkshire Council has no firm position on the creation or otherwise of new benefits or top up to existing benefits other than to observe that, it is likely that the tight fiscal framework in Scotland will constrain the options in this regard, unless the Scottish Government can generate additional income via their new tax raising powers, to distribute wealth from the wealthy to the most vulnerable people in Scotland.

On delivery, if the Scottish Government view is to move from the DWP administering benefits, North Lanarkshire Council preference would be for a Scottish (National) Benefit System, (similar to the Scottish Welfare Fund) which is fully funded by the Scottish Government and is delivered on behalf of the Scottish Government by Local Authorities, locally and are sensitive to the needs of different communities across Scotland.